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ATTORNEYS AND COUNSELORS AT LAW
PROFESSIONAL CORPORATION

Gary McGoffin
gary@dmsfirm.com

January 5, 2022

via Certified Mail
No. 7017 3040 0000 0785 5885
and email to gregory.thibodeaux@la.gov

Louisiana Ethics Board
P.O. Box 4368
Baton Rouge, LA 70821

Re: Opinion Request for Vermilion Charter Foundation (VCF)

Attn: Gregory Thibodeaux

You prepared the opinion letter for our prior opinion, Ethics Board Docket No. 2021-101. A copy is attached for your convenience. The Board appreciated that guidance.

An additional question has arisen regarding the change in employment status of Trustee Kristy Touchet. She was referenced in our prior request while she was employed with Home Bank.

Facts

- 1) SchoolMint is a privately owned company that provides school software. Its national headquarters recently relocated to Lafayette.
- 2) SchoolMint has an ongoing contract with Charter Schools USA (CSUSA) to provide its administrative software to each of the 90+ CSUSA schools located in six states. That contract preceded SchoolMint's move to Lafayette.
- 3) VCF has entered into a Management Agreement with CSUSA to develop, manage, staff and operate the Vermilion Charter Academy when it receives charter approval.
- 4) SchoolMint will provide software services to CSUSA that CSUSA will utilize in fulfilling its contractual obligations to VCF.
- 5) SchoolMint hired Kristy Touchet as the Human Resources Director for its national headquarters in Lafayette.

- 6) Kristy Touchet is a founding volunteer member of the VCF Board of Trustees.
- 7) It is not anticipated that the VCF Board will have any direct contractual relationship with SchoolMint.

Query:

When VCF obtains its public charter, is there any prohibition to Kristy Touchet continuing to serve as a VCF Trustee during the term of her employment with SchoolMint?

Please advise if you require any further information.

Respectfully,



Gary McGoffin

Enclosure

cc: Bridget Winters, VCF President
Murphy Guilbeaux, VCF Vice President
Stacey Brunet, CSUSA Board Liaison

"Date"

Mr. Gary McGoffin
Attorney at Law
220 Heymann Blvd.
Lafayette, LA 70503

RE: Ethics Board Docket No. 2021-101

Dear Mr. McGoffin:

The Louisiana Board of Ethics, at its April 9, 2021 meeting, considered your request for an advisory opinion as to whether members of the Vermilion Charter Foundation Board of Directors would be in violation of the Code of Governmental Ethics where they are employed by entities that may seek to obtain contractual or other business or financial relationships with the Vermilion Charter Foundation.

FACTS PROVIDED

You provided that the Vermilion Charter Foundation ("VCF") is a Louisiana non-profit corporation that is submitting a charter school application to the Board of Elementary and Secondary Education in the 2021 application cycle. You stated that the VCF Board of Directors is comprised of volunteer Board members who receive no compensation except for the reimbursement of approved out-of-pocket expenses. You stated that board member, Ethan Broussard, is a realtor affiliated with Keaty Realty and would like to assist the VCF with locating prospective school sites. Mr. Broussard would not seek compensation or have a listing agreement with the VCF for acquisition of the site. You stated that Red Apple Development, a third party contractor will acquire the school site, obtain financing, contract for the construction of the school, and in turn lease the school property to the VCF. You stated that there is no relation between the VCF and Red Apple Development and that the VCF has no members who are officers, directors, trustees, partners, or employees of Red Apple Development.

You further provided that board member, Kristy Touchet, is employed by Home Bank and board member, Murphy Guilbeau, is employed by Gulf Coast Bank. You stated that both banking institutions may provide financial services to the VCF.

You further provided that board member, Ben Revira, is employed as a risk advisor and agent with Thomson Smith & Leach Insurance Group. You stated that the insurance group may provide insurance services to the VCF.

LAW

La. R.S. 42:1111C(2)(d) prohibits a public servant and a legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, from receiving any thing of economic value for services rendered from a person who has or is seeking to obtain contractual or other business or financial relationships with the public servant's agency.

La. R.S. 42:1111E(1) prohibits a public servant, and no legal entity of which such public servant is an officer, director, trustee, partner, or employee, or in which such public servant has a substantial economic interest, from receiving or agreeing to receive any thing of economic value for assisting

Mr. Gary McGoffin

"Date"

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a person in a transaction, or in an appearance in connection with a transaction, with the agency of such public servant.

La. R.S. 42:1123(30) allows a public servant, a legal entity in which he has a controlling interest, or a member of his immediate family, to donate services, movable property, or funds to his agency.

La. R.S. 17:3991A(1)(b)(ii) provides notwithstanding any provision of Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950 or any other law to the contrary, a member of a charter school governing or management board may serve as an officer, director, or employee, whether compensated or not, of any national or state bank; however, he shall recuse himself from voting in favor of any such bank and shall disclose the reason for such recusal by filing a statement of the reason into the minutes or record of the charter school governing or management board and by forwarding a disclosure form to the Board of Ethics.

CONCLUSION

Once the VCF has a charter approved, the following provisions of the Code of Governmental Ethics (Ethics Code) apply to VCF board members. The Board concluded and instructed me to inform you, the Ethics Code would not prohibit Ethan Broussard from donating his services to the VCF relative to locating prospective school sites since Section 1123(30) allows for the donation of services by a public servant to his agency. The Board also concluded that Section 1111E(1) would prohibit Keaty Realty from assisting Red Apple Development in a transaction, or in an appearance in connection with a transaction with the VCF since Keaty Realty's employee is a member of the VCF Board.

The Board further concluded and instructed me to inform you, the Ethics Code would not prohibit Kristy Touchet and Murphy Guilbeau from receiving any thing of economic value from their respective employers should Home Bank and/or Gulf Coast Bank provide banking services to the VCF since La. R.S. 17:3991A(1)(b)(ii) provides an exception to the Ethics Code provided Ms. Touchet or Mr. Guilbeau recuse themselves from voting in favor of their respective banks and disclose the reason for their recusal in the minutes or record of the VCF Board and forwarding a disclosure form to the Board of Ethics. Enclosed is a copy of a form to facilitate the filing.

Finally, the Board concluded and instructed me to inform you, the Ethics Code would prohibit Ben Revira from receiving any thing of economic value from his employer, Thomson Smith & Leach Insurance Group should the insurance group provide insurance services to the VCF. Section 1111C(2)(d) would prohibit Mr. Revira from working for Thomson Smith & Leach Insurance Group when the insurance group has or seeks to obtain contractual or other business or financial relationships with the VCF.

This advisory opinion is based solely on the facts as set forth herein. Changes to the facts presented may result in a different application of the provisions of the Code of Ethics. The Board issues no

Mr. Gary McGoffin

"Date"

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opinion as to past conduct or laws other than the Code of Governmental Ethics, the Campaign Finance Disclosure Act, the Lobbyist Disclosure Act, and conflict of interest provisions in the gaming laws. If you have any questions, please contact me at (225) 219-5600 or (800) 842-6630.

Sincerely,

LOUISIANA BOARD OF ETHICS

Gregory L. Thibodeaux
For the Board

DISCLAIMER
This is a draft opinion and it is **NOT** an opinion of the Louisiana Board of Ethics.
No party may rely on the facts or conclusions. The analysis and conclusions herein are provided for discussion purposes only and are subject to change or revision at the meeting of the Board of Ethics at which this matter is considered.

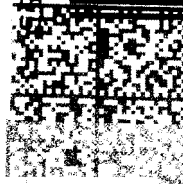
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| DURIO | MCGOFFIN |
| STAGG | ACKERMAN |

ATTORNEYS AND COUNSELORS AT LAW
PROFESSIONAL CORPORATIONS
P.O. Box 51308, LAFAYETTE, LA 70505-1308



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Louisiana Ethics Board
Attn: Gregory Thibodeaux
P.O. Box 4368
Baton Rouge, LA 70821

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